

**DATE:** May 16, 2022  
**BULLETIN:** 2022-KDCU-CUB-10  
**TO:** Kansas Chartered Credit Unions  
**SUBJECT:** Financial Scams Targeting Senior Adults

### FINANCIAL SCAMS TARGETING SENIOR ADULTS

May 15, 2022, was recognized as National Senior Fraud Awareness Day. According to the [National Council on Aging](#), older adults lose an estimated \$3 billion each year to financial scams. That is “B” as in Billion.

While senior citizens are targeted because of the perception of wealth, low income adults are also at risk. Unfortunately, over 90% of all reported elder abuse is committed by the victim’s own family members.

Below are some of the top financial scams targeting senior citizens:

- **Government Imposters:** calls are made to victims and imposters pretend to be from the IRS, SSA or Medicare and threaten arrest or deportation for unpaid taxes. In addition, the victim may be told their SSN is no longer valid.
- **Grandparent Scam:** the classic scam where the “grandchild” calls and says they are in jail, in the hospital, stranded, etc. The victim should call another family member to confirm the child’s actual location. If paid with a gift card or wire transfer, the money could be lost.
- **Computer Tech Support:** a pop-up message or blank screen will appear and advise the device is compromised and needs fixing. The Federal Trade Commission (FTC) found seniors who fell for this scam lost an average of \$500.
- **Sweepstakes & Lotteries:** the classic scam in which the victim is told of winning the lottery or sweepstakes they do not recall entering. Sometimes a check is sent for deposit into the victim’s account and before it is returned as fraudulent, “fees and taxes” have been paid by the victim.
- **Romance Scam:** another classic which has thrived with the increased use of online dating. It is not hard to create a fake profile. The FTC reports losses of almost \$84 million to romance scams.
- **Charity Scam:** these rely on seniors’ goodwill to pocket money supposedly being raised for a good cause, perhaps using a similar name as a legitimate charity. Natural disasters, in particular, are used often by scammers. A definite red flag is when gift cards are the preferred payment method.

The National Credit Union Administration (NCUA) is offering a [webinar](#) on May 19, 2022, entitled “How Credit Unions Can Protect Older Americans Against Exploitation.” The webinar will provide an overview of elder financial exploitation, resources to inform prevention and tools to report abuse. The Consumer Financial Protection Bureau (CFPB) also provides [resources](#) for working with older adults.

In addition, for Kansas credit unions interested in on-site elder financial exploitation training for their staff, you may reach out to [Gail Bright](#), KDCU Financial Examiner Advisor, to schedule a presentation.